

COMMITTEE ON LEGISLATIVE RESEARCH
 OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3984-06
Bill No.: Truly Agreed to and Finally Passed SCS for HS for HCS for HB 1532
Subject: Dram shop liability.
Type: Original
Date: May 14, 2002

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
None			
Total Estimated Net Effect on <u>All</u> State Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
None			
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
 This fiscal note contains 3 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of the State Courts Administrator, Office of the Attorney General, and the Department of Public Safety - Divisions of Liquor Control and Missouri Highway Patrol** each assume this proposal would not fiscally impact their respective agencies.

Officials from the **Department of Insurance** assume they can absorb the additional duties and costs associated with this proposal with existing resources.

<u>FISCAL IMPACT - State Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

Small businesses that sell intoxicating beverages by the drink would, seemingly, be asserted a level of protection from liability with this proposal.

DESCRIPTION

This proposal revises the dram shop liability statute. The proposal provides that a cause of action may be brought against a person licensed to sell intoxicating liquor by the drink when it is proven by clear and convincing evidence that the seller knew or should have known that intoxicating liquor was sold to a person under 21 or was knowingly served to a visibly intoxicated person. A "visibly intoxicated

DESCRIPTION (continued)

person" is shown by the person's impairment is shown by significantly uncoordinated physical action or significant physical dysfunction. A person's blood alcohol content will not constitute

prima facie
evidence to establish "visible intoxication".

A seller will have an affirmative defense if proof of age is demanded and the drivers license or official state personal identification card appearing to be genuine is shown.

Any insurance company that sells liability insurance which provides coverage for dram shop liability shall report all costs associated to the Department of Insurance. The proposal also states that no employer may discharge his or her employee for refusing service to a visibly intoxicated person.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of the Attorney General
Office of the State Courts Administrator
Department of Public Safety
 Division of Liquor Control
 Missouri Highway Patrol
Department of Insurance



Mickey Wilson, CPA
Acting Director
May 14, 2002